



**WASHINGTON COUNTY  
OFFICE OF THE ADMINISTRATOR**

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TO: Finance Committee  
FROM: Kevin Hayes, County Administrator *KH*  
DATE: June 11, 2009  
RE: Budget Packet

The goal has been to maximize the County's revenue while minimizing expenses and keeping the pledge to avoid a tax increase spike.

Counties face many challenges in balancing the needs of the taxpayers. As we all know, the state of the economy influences the needs of the community. In economic down times, the expenses of some departments increase as their caseloads grow, while funding sources for these departments are likely to decrease. In better times, both caseloads and funding tend to remain stable.

The State has a long history of passing down programs to New York's counties, while removing or reducing funding for these programs. For example:

- Reducing State funds to County budgets mid-year (approximately \$900,000 in 2008)
- Child Welfare funding reduced from 65% State-35% Local to 63% State-37% Local
- Family Assistance funding reduced from 75% State-25% Local to 73.5% State-26.5% Local
- Probation was once 50% funded by the State and is now funded 15.8%
- Handicapped Children's Programming was funded 75% and is now funded 59.5%
- At one time the State shared \$300,000+ in revenue with Washington County and now shares none.
- Medicaid, although capped at a 3% growth rate, currently costs the County approximately \$10,000,000 per year. In the early 1990s, this cost was as low as \$2 million.
- Prior to the creation of the CHIPS program in 1988, the County received over \$3 million in road taxes funding. The CHIPS program provides \$1.6 million.

In the next two months, the plan is to provide the following information to the Committee:

1. Breakdown the General Fund to show the net cost of each department as was done in 2004 (example enclosed).
2. Detailed reports on the following items:
  - a. Community college charge backs
  - b. Highway funds projects
  - c. Pleasant Valley funds projection
  - d. Solid Waste projections
  - e. Public Health detail
  - f. Social Services detail
  - g. Net cost of Sheriff's Department
    - i. Road Patrol
    - ii. Jail
  - h. Health care costs
  - i. Retirement costs
  - j. Future debt service
  - k. History of tax rates